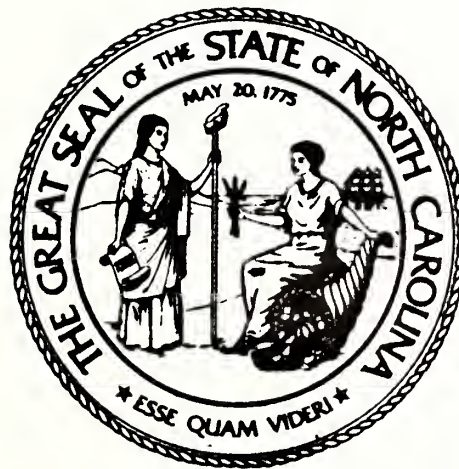


STATE OF NORTH CAROLINA
GOVERNMENTAL EVALUATION
COMMISSION

File #119

STATE OF NORTH CAROLINA



GOVERNMENTAL EVALUATION COMMISSION REPORT

ON

NORTH CAROLINA BOARD

OF

ARCHITECTURE

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SUMMARY

As directed by Chapter 143, Article 1.1 of the General Statutes, the North Carolina Governmental Evaluation Commission has conducted its evaluation of the North Carolina Board of Architecture created by Chapter 83 of the General Statutes.

The Commission concludes that the licensing of architects is necessary to protect the health, safety and welfare of the citizens of this State.

In order to assure public participation in policymaking decisions of the Board, the Commission recommends that the Board of Architecture be composed of seven members, five architects and two public members, rather than the present membership of five architects.

To enhance public protection, the Commission recommends that the Board be given authority to seek injunctive relief and authority to levy fines against licensees for dishonest, unethical and incompetent conduct.

Futhermore, the Commission recommends that, as a condition of license renewal, the Board be given authority to require evidence of continued competency when, in the judgment of the Board, such competence is necessary to protect the public health, safety and welfare.

In conclusion, the Commission recommends that Chapter 83 of the General Statutes be reestablished with the statutory modifications as proposed in the recommendations.

Governmental Evaluation Commission
Report on Board of Architecture

RECOMMENDATIONS:

1. The Commission recommends that regulation of the practice of architecture be continued by the Board of Architecture and that the General Statutes be amended to eliminate existing loopholes and statutory deficiencies.
2. The Commission recommends that the General Statutes be amended to provide for a seven (7) member Board consisting of two (2) lay members who represent the public at large and five (5) members of the profession.
3. The Commission recommends that the General Statutes be amended to allow an unlicensed person to design and supervise the construction of an institutional or commercial building where the public health, safety, and welfare is involved, if the building does not have a total value of over \$60,000 or if it does not have a gross floor area of over 2,500 square feet.
4. The Commission recommends that the General Statutes be amended to allow an individual to make plans or data for buildings for himself if the buildings: (1) are not for public use, or (2) do not have a total value of over \$60,000, or (3) do not have a gross floor area of over 2,500 square feet.
5. The Commission recommends that the General Statutes be amended to grant the Board specific authority to seek injunctive relief as well as authority to levy fines against licensees of the Board for dishonest, unethical, or incompetent conduct.
6. The Commission recommends that the Board of Architecture shall require evidence of continued competency as a condition of license renewal, when necessary to protect the public health, safety, or welfare.
7. The Commission recommends that the Board be reviewed by the General Assembly before July 31, 1985.

Governmental Evaluation Commission
Report on Board of Architecture

CONCLUSIONS:

1. The Commission concludes that regulation of the practice of architecture is essential to protect the public health, safety, and welfare; however, the present statute and existing organization do not provide adequate protection.
2. The Commission concludes that lay representation on the North Carolina Board of Architecture would allow for public input into the agency program and help balance the profession's and the public's interest.
3. The Commission concludes that a practical limit on mandating the use of licensed architects in the design and construction of an institutional or commercial building where the public health, safety, and welfare is involved, is if the building does not have a total value of over \$60,000, or if it does not have a gross floor area of over 2,500 square feet.
4. The Commission concludes that the statutory exemption which allows an individual to make "*plans or data for buildings for himself*" subjects the public to potential serious harm when such buildings are for public use, but that a practical limit on this exemption is when a building does not have a total value of over \$60,000, or if it does not have a gross floor area of over 2,500 square feet.
5. The Commission concludes that there is no substantive evidence to require registrants of the Board to demonstrate continued competency at the present time, but that if the protection of the public health, safety, or welfare makes it necessary that continued competency be shown, the Board should require it.
6. The Commission concludes that a broader range of enforcement powers would enhance the Board's efforts to deter repeated violations.

Governmental Evaluation Commission
Report on Board of Architecture

FINDINGS:

1. The Commission finds that North Carolina General Statutes Chapter 83 regulates the practice of architecture as well as use of the title "*architect*".
2. The Commission finds that North Carolina General Statutes §83-1 defines the practice of architecture as "*rendering or offering to render service by consultation, investigation, evaluation, preliminary studies, plans, specifications, contract documents, and a coordination of all factors concerning the design and supervision of construction of buildings or any other design or any other service in connection with the designing or supervision of construction of buildings located within the boundaries of the state . . .*".
3. The Commission finds that the North Carolina Board of Architecture is composed entirely of members of the profession.
4. The Commission finds that North Carolina General Statutes §83-12 does not regulate the design or supervision of construction of farm or commercial buildings of a value not exceeding forty-five thousand dollars (\$45,000.).
5. The Commission finds that North Carolina General Statutes §83-12 requires a builder to employ an architect for the design of any residence that houses more than two (2) families.
6. The Commission finds that North Carolina General Statutes §83-12 exempts from the licensing requirement any individual who makes plans or data for buildings for himself.
7. The Commission finds that the Architectural Practice Act includes no provision to assure that registrants of the Board maintain a minimum level of knowledge and skills necessary to perform professional service.
8. The Commission finds that the Architectural Practice Act grants the Board authority to deny, suspend, or revoke the certificate of registration or to issue a reprimand, on the grounds of dishonest, unethical, or incompetent conduct.

INTRODUCTION TO GOVERNMENTAL EVALUATION COMMISSION

Chapter 143, Article 1.1, of the General Statutes terminates the regulation of various occupations. By repealing the laws establishing them, a number of boards and commissions that license or regulate occupations are scheduled to be terminated every two years. One-third of the total of these agencies will cease to exist on July 1, 1979, unless re-established by the General Assembly.

The statute requires that prior to termination each agency be reviewed by the Governmental Evaluation Commission. The Commission is charged with conducting a "performance evaluation of each program or function scheduled for termination."

Upon completion of the evaluation, the Commission will submit a report to the General Assembly, including a recommendation as to whether the program or function in question, and the responsible agency, "should be terminated, reconstituted, re-established, or continued with or without modification of the relevant statutes."

The statute states that the Commission's basic determination is *"of the need for continuance of an agency program or function"*, and that it shall use 13 listed evaluation elements in making its determination. The Commission is not limited to the use of the 13 elements in determining the presence of a public need for the continuance of a program or agency.

The Commission was authorized to employ a staff to help it in its work. The staff will conduct an evaluation and report its findings to the Commission in a staff report. The agencies may be given the opportunity to appear before the Commission and respond to the staff report. After making any modifications it believes desirable, the Commission will adopt a Proposed Commission Report.

The statute requires that public hearings be held on the proposed report, after a notice of the substance of the report and other details of the hearing is published. Upon completion of the hearing and consideration of the submitted evidence and arguments with respect to this evaluation, the Commission shall adopt its final recommendations. These recommendations will then be submitted to the General Assembly for its deliberation.

SCOPE OF THE EVALUATION

The purposes of the evaluation process are stated in the statute creating the Governmental Evaluation Commission.

§143-34.10: Findings and purposes. - The General Assembly finds that state government actions have produced a substantial increase in numbers of agencies, growth of programs, and proliferation of rules and regulations and that the whole process developed without sufficient legislative oversight, regulatory accountability, or a system of checks and balances. The General Assembly further finds that by establishing a system for the termination, continuation, and re-establishment of such agencies, it will be in better position to evaluate the need for the continued existence of existing and future regulatory bodies.

A recommendation on the "need for the continued existence of existing....regulatory bodies" is the end product of this evaluation process. An evaluation of "need" for the continued existence must focus on the public benefits resulting from the continued existence of a program or agency. The benefits to the persons the agency regulates are not reasons for continuing the agency.

In focusing on "need" the inevitable question that must be considered is: What is the harm to the public if there is no regulation of the occupation?

It can be argued that some possible harm is present in allowing unlicensed persons to serve the public in any occupation or capacity. There is always some risk that a member of the public will choose the wrong person in a selection process where there is no knowledge of competency or honesty. However, this selection process is a hallmark and strength of the free enterprise system.

On the other hand, regulation in any form, by any means, is

restrictive of certain individual liberties protected by Article 1.1 of the North Carolina Constitution, which provides that all persons are afforded rights of "life, liberty, and the enjoyment of the fruits of their own labor, and the pursuit of happiness." The state, through its police power, may enact legislation which invades these rights only if there is a real and substantial relationship between the legislation and the protection of the public health, safety, or welfare.

In the evaluation process, the underlying question asked by the legislature can be stated: Is this regulation a proper exercise of the state's police power? Is the public need for regulation sufficient to justify making available to the regulatory body the authority of the State of North Carolina to imprison, to fine, and to deprive the right of earning a living to a person who violates the regulatory statute? The regulatory statute makes available to the agency, for enforcement, the State Judiciary, the State Attorney General, the police, and the power to collect money for use of the agency.

The evaluation question to be answered could be stated another way: Does this regulatory statute protect the public from potential serious harm so that if there were no statute, serious harm would be done to the public's health, safety, or welfare?

The key words are "serious harm". If the answer to the evaluation question is "No", then there is no public need for the program or agency and the statute must not be continued.

If the answer is "Yes", then the Commission must look at all parts of the program and agency to determine if they are doing what the statute

calls for them to do in an efficient and effective manner.

The General Assembly is the final authority on the recommendations of the Commission. A Committee of Reference in each House of the General Assembly will hold a public hearing on the recommendations relating to each agency. In the hearing the agency has the burden of demonstrating a public need for the continued existence of the agency and its program or function.

HISTORICAL BACKGROUND:

In 1909 active architects in the State of North Carolina began working toward an "architectural bill" to be introduced to the General Assembly. On March 9, 1915, Chapter 83 of the General Statutes of North Carolina, which regulates the practice of architecture, was enacted. This statute makes it unlawful for any person to practice architecture in this state or use the title "architect" without securing from the Board a certificate of admission to practice. Since its original enactment, the licensing law of the Board of Architecture has been amended 8 times. The statute presently provides that the Board shall consist of 5 members appointed by the Governor. Each member is to be a reputable architect residing in the state who has been engaged in the practice of architecture at least 10 years. The statute further defines the practice of architecture as consisting of the "rendering or offering to render service by consultations, investigations, evaluations, preliminary studies, plans specifications, contract documents and a coordination of all factors concerning the design and supervision of construction of buildings or any other service in connection with the designing or supervision of construction of buildings located within the boundaries of the State...."

The primary function of the Board of Architecture includes providing the public with a body of competent professionals through administration of examinations, as well as continuous regulation of professional architectural practice within the state in order to insure that the practice is conducted within the proper legal framework. Currently there are 1,959 licensed practitioners of architecture in North Carolina.

EVALUATION ELEMENTS

The statute lists 13 evaluation elements to be used in making a determination of the need for continuance of an agency program or function. The statute specifically allows other evaluation elements to be used.

The performance evaluation of the North Carolina Board of Architecture using the 13 elements follows:

EVALUATION ELEMENT #1

*AN IDENTIFICATION OF THE OBJECTIVES INTENDED FOR THE
AGENCY PROGRAM AND THE PROBLEM OR NEED WHICH THE
PROGRAM WAS INTENDED TO ADDRESS.*

The objective of the statute creating the Board of Architecture is to "safeguard life, health, and property" by prohibiting the design or supervision of construction of buildings by persons who are not technically qualified.

The statute requires that applicants have the minimum qualifications and the minimum proficiency as prescribed by the Board before taking an examination, and pass an examination to determine their qualifications. The need which the program was intended to address is to assure that buildings in the State are safe for the public to use, and that they are structurally sound.

EVALUATION ELEMENT #2

AN ASSESSMENT OF THE DEGREE TO WHICH THE ORIGINAL OBJECTIVES OF THE AGENCY PROGRAM HAVE BEEN ACHIEVED EXPRESSED IN TERMS OF PERFORMANCE, IMPACT, OR ACCOMPLISHMENTS OF THE PROGRAM AND OF THE PROBLEM OR NEED WHICH IT WAS INTENDED TO ADDRESS. SUCH ASSESSMENT SHALL EMPLOY PROCEDURES OR METHODS OF ANALYSIS WHICH THE COMMISSION DETERMINES TO BE APPROPRIATE TO THE TYPE OR CHARACTER OF THE PROGRAM.

The original objective intended for the North Carolina Board of Architecture is to safeguard the public's life, health, and property. The Board insures that the practice of architecture is conducted in a competent manner by qualified professionals. This task is achieved through the Board's licensing and enforcement functions.

The licensing function of the Board is carried out through the administration of a written examination. The Board administers two examinations, the Professional Examination and the Qualifying Examination.

The Qualifying Examination is developed by the National Council of Architectural Registration Boards (NCARB). It serves as a screening device to determine whether non-degreed candidates are qualified for the Professional Examination. The examination is graded in parts so that an applicant who fails the examination will only have to retake the parts failed.

The Professional Examination is developed by NCARB as well. The entire examination is currently graded on a pass/fail basis. During the last five years the Board has issued 209 licenses by examination. (See Table 1).

The Board also issues licenses by reciprocity. Reciprocal registration is primarily coordinated by the NCARB. Generally, if the architect fulfills the requirements of NCARB he is granted reciprocal registration. For those applicants who are not registered with NCARB the Board does its own investigation to determine the qualifications of the applicant. The Board has issued 647 licenses by reciprocity in the last five years. (See Table 1).

It appears that the agency has been effective in the administration of examination procedures. For the most part the testing process and the reciprocal licensing process is controlled by the NCARB.

Enforcement activities are restricted primarily to complaint processing and disciplinary hearings; however, the Board receives very few complaints. (See Table 1). During the last five years the Board has held one disciplinary hearing and the strictest form of disciplinary action taken during this five year period has been the issuance of reprimands or warning letters. (See Table 1). Most complaints received by the Board are on issues of professional ethics instead of consumer oriented protection of the public. The Board estimates that less than 10% of the complaints received are from members of the general public. (See Table 2, Complaint Profile).

EVALUATION ELEMENT #3

*A STATEMENT OF THE PERFORMANCE AND ACCOMPLISHMENTS
OF THE AGENCY PROGRAM IN THE LAST FISCAL YEAR AND
OF THE BUDGETARY COSTS INCURRED IN THE OPERATION OF
THE PROGRAM.*

The North Carolina Board of Architecture is statutorily charged with the responsibility of providing a body of competent professional practitioners. The Board performs this duty through the administration of its licensing examination. In addition the Board is responsible for the continuous regulation of professional practices to insure that such practice is conducted properly and that unauthorized and incompetent persons are not allowed to practice.

Primary accomplishments of the agency during any year revolve around carrying out administrative functions to implement the noted statutory charges. During the last fiscal year the Board performed the following functions, among others:

- (a) appointed a full time executive director;
- (b) renewed 1,826 individual certificates;
- (c) administered the professional examination to fifty-six (56) candidates;
- (d) administered the qualifying examination to thirty (30) new candidates; and,
- (e) issued licenses by examination to thirty-one (31) applicants.

Budgetary costs incurred in the operation of the agency program for fiscal year 77-78 amounted to \$65,794.69. (See Table 3)

EVALUATION ELEMENT #4

*A STATEMENT OF THE NUMBER AND TYPES OF PERSONS
SERVED BY THE AGENCY.*

In the opinion of the Board, licensing of Architects serves the citizens at large of the State of North Carolina as well as the 2,015 registered architects in the state.

It appears that commercial, industrial, and institutional entities are most directly served by the agency program. These people are served in that they are assured that all registrants are at least minimally competent.

The extent to which the agency program directly serves the public is debatable. Architects are not required for the construction of a single family residence. It has been estimated that approximately 5% of the architect market is for single or double family residences.

There is very little interface between the architect and members of the public at large. The protection offered the public is indirect in that architects are agents of the owner and can only advise.

Admittedly, improper design of commercial or institutional buildings could cause harm to members of the general public. To this extent the agency program benefits and serves the public.

EVALUATION ELEMENT #5

*A SUMMARY STATEMENT FOR THE LAST COMPLETED FISCAL
YEAR OF THE NUMBER, BY GRADE, AND COST OF PERSONNEL
EMPLOYED IN CARRYING OUT THE AGENCY PROGRAM AND A
SUMMARY STATEMENT OF THE COST OF PERSONNEL EMPLOYED
UNDER CONTRACT IN CARRYING OUT THE PROGRAM.*

The Board employs two salaried employees, the Executive Director and the Executive Secretary. These individuals are not state employees and are not salary graded as such. The current salary for the Executive Director is \$16,750 and \$9,600 for the Executive Secretary. The present Executive Director was appointed in November 1977; therefore, personnel expenses for the last fiscal year reflect only a partial year salary. (See Table 4).

The Board also employs part-time clerical assistance during the period of license renewals. Costs for board member participation in the program are met through per diem, subsistence and travel payment in accordance with statutory guidelines. (See Table 4).

EVALUATION ELEMENT #6

*AN ASSESSMENT OF THE DEGREE TO WHICH THE OVERALL
POLICIES OF THE AGENCY PROGRAM, AS EXPRESSED IN THE
RULES, REGULATIONS, ORDERS, STANDARDS, CRITERIA, AND
DECISIONS OF THE AGENCY MEET THE OBJECTIVES OF THE
GENERAL ASSEMBLY IN ESTABLISHING THE PROGRAM.*

The objective of the General Assembly in creating the North Carolina Board of Architecture is to *"safeguard life, health, and property."*

To accomplish this purpose, unauthorized practice of the profession is prohibited and made unlawful. The Board is given authority to revoke or suspend the license of any licensee on the grounds of dishonest practice, unprofessional conduct, or incompetence.

Each board under review by the Commission was asked to determine its objectives and rank the relative importance of each objective. The North Carolina Board of Architecture perceived its main objective as being the protection of life, health, and property of the citizens of North Carolina. The Board states that it accomplishes this objective through *"active regulation of architectural practice within the state in order to insure that such practice is conducted within the proper legal framework...and that unauthorized and incompetent persons are not allowed to practice architecture in defiance of those statutes."*

A second objective of the Board is to *"continue to provide the citizenry of North Carolina with a body of competent professional prac-*

tioners of architecture through the yearly administration of rigorous professional examinations." This objective seems to be directed exclusively toward assessing the applicant's level of competency prior to licensing. There is no attempt to assure that the architect, once licensed, maintains a minimum level of knowledge and skills necessary to perform professional design service.

Other objectives of the Board include:

1. To increase their ability to more effectively serve the public by supporting an improved Practice Act;
2. To expand public awareness of the Board's role in the regulation of architectural practice matters;
3. The appointment of a public member to the Board;
4. To change certain regulations in order to bring them in line with court decisions;
5. To maintain a well-balanced budget without spending taxpayer funds.

RULES; GENERAL:

This evaluation element focused on the rules and regulations of the agency as they relate to the objectives of the agency as the Board stated these objectives to be.

The regulations provide that as a primary obligation and responsibility, the architect shall conduct his office and all aspects of his practice in such a manner as to "safeguard life, health and property." The duties of an architect include evaluating plan specifications and contract documents in order to coordinate factors concerning design, and

to assure that the building as designed is structurally sound and fit.
He may also be responsible for the supervision of construction of the building, and for the final inspection of the building to guarantee that the construction is consistent with the design.

In assessing the extent to which the present rules and objectives of the agency reflect the original intent of the General Assembly, regulatory functions were divided into the two categories of licensing and enforcement.

LICENSING:

The regulations allow for two separate examinations; the professional examination and the qualifying examination. Prequalification requirements for admission to the professional examination include: holding a degree from a school of architecture where the degree has been accredited by the National Architectural Accrediting Board or passing the NCARB qualifying test, and 3 years "practical training" in the offices of registered architects who are practicing as principals in private practice, or the equivalent. Practical training is defined by the Board as having practical experience and diversified training in the offices of registered architects who during the period of the candidate's training were practicing architecture full-time in private practice as principals.

Regulations provide that those persons who do not hold a degree from a school whose curriculum has been accredited are allowed to take a national qualifying test developed by the National Council of Architectural Registration Board. Persons passing the qualifying test are permitted to take the professional examination. The qualifying test judges the candidates'

ability in, (a) architectural history; (b) theory and principles of planning; (c) construction theory; (d) environmental systems and practice; and (e) architectural design and site planning. To qualify for the qualifying test, the applicant must have a combination of education and practical training of at least 12 years. The qualifying examination is not graded on a pass/fail basis. Credit for parts of the examination which the applicant passed will be retained so that on subsequent tests the applicant need only pass those parts failed initially. The professional examination is, however, a pass/fail proposition. The Board will consider applicants for reciprocal registration without examination if they are qualified in other states under requirements substantially equivalent to those of this State. The regulations provide that aliens may apply for registration upon proof from the Immigration and Naturalization Service that he has declared his intention of becoming a U.S. citizen. He must become naturalized at the earliest possible date or the certificate will be revoked. The Board intends to change the regulation on licensing of aliens. Licenses must be renewed annually and the only requirement for renewal is proper application and payment of the renewal fee.

Corporations wishing to practice architecture must hold a certificate of registration. The corporation is subject to all applicable rules and regulations adopted by the Board.

ENFORCEMENT:

The Board is granted policing powers. The enforcement regulations of the Board include: hearing complaints, revoking and suspension of licenses, and taking legal action in the form of criminal prosecution or

injunction.

The Board may refuse to grant an examination, or after examination refuse to grant a certificate, to any person who has been convicted of a felony, or who, in the opinion of the Board, has been guilty of gross unprofessional conduct, or who is addicted to habits of such a character as to render him unfit to practice architecture. The Board may suspend or revoke any certificate and forbid practice by any architect on grounds of dishonest practice, unprofessional conduct, or incompetence.

The hearing of complaints by the Board of Architecture is restricted primarily to individuals who have been aggrieved by some act of the Board, or whose rights will in some way be affected by some proposed act of the Board. When the Board proposes to act in a manner affecting individuals, it is required to give notice to them of their right to an administrative hearing. Persons aggrieved may assert their right to a hearing, but must exhaust all efforts to settle the issue informally before doing so. The regulations provide that the Board will determine whether to grant the request for a hearing. If the request is approved, notice of the hearing will be given. If the complainant or any other individual is aggrieved by the final decision of the Board, he is entitled to judicial review upon exhaustion of all administrative remedies.

While the licensing activity of the Board of Architecture attempts to designate those persons competent enough to be registered architects, the enforcement provisions do not provide for testing competency after a person has been licensed. The regulations, as well as the statute, provide for the revocation or suspension of licenses for dishonest practice, unprofessional conduct, and incompetence. The regulations provide for

filing of complaints against individuals for the unauthorized practice of the profession, but not for incompetence. There is no provision which allows the Board to monitor licensees and assure that they maintain their level of competence. Neither the statute nor the regulation has a provision for the monitoring of licensees to determine if "incompetent persons" are allowed to practice architecture "in defiance of the statute."

The Board's second objective, to "continue to provide the citizenry of North Carolina with a body of competent professional practitioners of architecture through the yearly administration of rigorous professional examinations", is directed toward assessing an applicant's level of competency prior to licensing and not toward maintaining that level. Renewal is by application and payment of a fee without further testing.

EVALUATION ELEMENT #7

*AN ASSESSMENT OF THE EFFECT OF THE AGENCY PROGRAM
ON THE STATE ECONOMY INCLUDING COSTS TO CONSUMERS
AND BUSINESSES.*

Regulation of any occupation has the potential of increasing cost of goods and services. State regulation increases the cost of doing business and these costs are inevitably passed from the practitioner to the consumer.

In evaluating the significance of increased cost it is important to assess the benefits derived from regulation.

State regulation of the practice of architecture benefits the public by insuring that practitioners are minimally competent. Of greater importance, however, is the question of whether this benefit outweighs the cost. The consumer bears the cost of the architect complying with the Building Code.

It is difficult, if not impossible, to separate the costs of the aesthetic design of a building from its structural design, and from the requirements of the Building Code. Aesthetic and structural design costs are passed on through the owners of the building to the user of the building, or to the buyer of the building.

The consuming public pays for the cost of the time applicants spend in getting prepared to become licensed. The higher the standards of minimum qualifications, the more costly architecture services become to the public.

The General Assembly exempted one and two family residences; other buildings costing less than \$45,000; and plans or data for buildings made by the owner from the requirements of the use of an architect. These exemptions seem based upon a practical rationalization between the safety of a building and the cost to the consumer.

Licensing increases the cost of services by limiting the number of people allowed to serve the public. This is especially true in the profession of architecture, where entry restrictions are high.

The Board of Architecture has recently repealed rules which prohibited advertising and competitive bidding among practitioners. This effort on the part of the Board has a positive economic effect, in that consumer prices are generally lower where competition exists among practitioners.

EVALUATION ELEMENT #8

*AN EVALUATION OF THE REPORTING AND RECORD-KEEPING
REQUIREMENTS AND ACTIVITIES OF THE AGENCY PROGRAM
INCLUDING THE MANAGEMENT AND CONTROL OF INFORMATION
AND RECORDS AND THE VALUE OF THE INFORMATION
GATHERED COMPARED TO THE COST TO RESPONDENTS, AND
AN ASSESSMENT OF METHODS TO REDUCE AND SIMPLIFY
THE REPORTING AND RECORD-KEEPING REQUIREMENTS.*

The North Carolina Board of Architecture is required by statute to keep a record of proceedings of the Board and registration for all applicants. The Board also maintains records of complaints received by written correspondence as well as records on investigations of licensees. Records are indexed by name if the licensee is an individual and by number if the licensee is a business entity.⁶ The Board also maintains a general correspondence file. A business entity is given a file number, and its records are filed under that file number, rather than by name.

EVALUATION ELEMENT #9

*A SUMMARY STATEMENT OF THE BUDGET AND PROGRAM OF
THE AGENCY FOR THE CURRENT FISCAL YEAR AND BUDGET
PROJECTIONS FOR THE NEXT SUCCEEDING FISCAL YEAR IF
THE PROGRAM WERE TO BE CONTINUED.*

The North Carolina Board of Architecture primarily serves as a licensing and enforcement agency. Budgetary expenses for fiscal year 77-78 amounted to \$65,794.64. (See Table 3) The Board does not perceive any major changes in the agency program for the next succeeding fiscal year. Budget projections for the next succeeding fiscal year are approximately three percent (3%) less than expenses incurred during the current fiscal year. (See Table 3)

EVALUATION ELEMENT #10

*AN ASSESSMENT OF WHETHER THE AGENCY HAS PERMITTED
QUALIFIED APPLICANTS TO SERVE THE PUBLIC, AND WHETHER
THE AGENCY HAS ENCOURAGED PARTICIPATION BY THE PUBLIC
IN MAKING ITS RULES AND DECISIONS, AS OPPOSED TO PARTI-
CIPATION SOLELY BY THE PERSONS IT REGULATES.*

The extent to which an agency permits qualified individuals to serve the public revolves primarily around the entry restrictions imposed by the particular agency program. If entry into the profession is overly restrictive then the number of suppliers of professional services is limited.

In North Carolina, all applicants for registration must pass the professional examination designed by the National Council of Architectural Registration Boards (NCARB).

The North Carolina Board of Architecture has adopted a provision which prevents an alien from taking the examination unless he has declared his intention of becoming a United States citizen. Generally, citizenship requirements have very little bearing on an individual's competency and can restrict entry into the profession. Also, the Board has statutory authority to refuse to grant certification to anyone convicted of a felony. The Board should be required to show a substantive relationship between the "behavior" in the committing of the felony and the threat to the protection of the public in the practice of architecture. This present provision is extremely broad in that it is not limited to offenses bearing on the individual's fitness to practice the profession. Not only does it restrict entry into the profession, but impedes the rehabilitation process as well.

As previously noted, the Board uses a national examination prepared by NCARB. The "*professional examination*" determines initial licensure. The candidate must:

- a. be a resident of North Carolina;
- b. at least 18 years of age;
- c. of good moral character;
- d. hold an approved or accredited degree in architecture; and,
- e. have three (3) years practical training.

Beginning in 1978 candidates for the professional examination will be required to pass a design examination as well.

Eligible non-degree candidates are required to pass the "*qualifying examination*". In addition the applicant is required to have a combination of twelve (12) years education and training experience before taking the examination.

All professional architects theoretically possess the same competency necessary to protect the public; therefore, it would appear that all candidates should be required to demonstrate this competency on one standard examination irrespective of the manner in which this competency was acquired.

The minimum pre-examination experience requirement could potentially affect the number of qualified individuals allowed to practice. While some training may be required prior to licensure, the type of training or experience obtained may vary from individual to individual and from firm to firm.

In light of the fact that the examination is only offered once a year and is graded on a pass/fail basis, the Board might consider allowing the applicant to take the examination while completing the experience requirements. This way the applicant would have several opportunities to pass the examination before satisfying the other requirements for licensure. As presently administered, the applicant may invest three (3) years or more to satisfy the experience requirement and then discover he has difficulty passing the examination. He is then forced to wait another year before having a second opportunity to pass the examination.

Excessive fees can restrict entry into a profession, although this does not seem to be true for architects in this State. Application fees

are established by the Board, but as mandated by statute, are not to exceed twenty-five dollars (\$25.00) for residents and fifty dollars (\$50.00) for non-residents.

The North Carolina Board of Architecture is composed exclusively of members of the profession. In accordance with the Administrative Procedures Act, the Board publishes public notice of rulemaking hearings and the Board meetings are opened to the public. The Board has not actively sought public participation in the agency program. One means of assuring public participation is by requiring a public member on the Board.

Other registration methods are by reciprocity and by license renewal. The Board will consider for reciprocal registration, without examination, licensees who are qualified in other states under requirements substantially equivalent to those of this State. The regulations provide that aliens may apply for registration upon proof from the Immigration and Naturalization Service that he has declared his intention of becoming a U.S. citizen, and that he must become naturalized at the earliest possible date or the certificate will be revoked. This regulation is of doubtful constitutionality. Licenses must be renewed annually and the only requirement for renewal is proper application and payment of the renewal fee.

Corporations wishing to practice architecture must hold a certificate of registration as well. The corporation is subject to all applicable rules and regulations adopted by the Board.

EVALUATION ELEMENT #11

*AN EVALUATION OF THE EXTENT TO WHICH OPERATION
HAS BEEN EFFICIENT AND RESPONSIVE TO PUBLIC NEEDS.*

This evaluation element assumes that there is indeed a public need for the agency program.

It is generally accepted that improper design could result in serious harm to the public. The more important question is whether the agency program, i.e., licensure, protects the public from that harm.

There are several factors which potentially limit the degree to which the agency program responds to the public need. The first limiting factor is the lack of any means of assuring continued competency on the part of the licensee. Renewal of a license is primarily based upon payment of a fee. The Board does not attempt to examine the quality of work performed by a licensee and the licensee's qualifications are not routinely subject to any subsequent review from the time of initial licensure.

As the law now reads, not all segments of the public are being protected. Specifically exempt from the statute are farms or commercial buildings of a value not exceeding \$45,000.00. Also exempt from the requirement are individuals who do their own plans for buildings even if these buildings are open to the public.

If it is assumed that there exists some public need for protection in the above stated area, then the activities of the Board only partially respond to the public needs.

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EVALUATION ELEMENT #12

*AN EVALUATION OF THE EXTENT TO WHICH COMPLAINTS
HAVE BEEN EXPEDITIOUSLY PROCESSED TO COMPLETION
IN THE PUBLIC INTEREST.*

In the opinion of the Executive Director of the Board the time between the receipt of a complaint and the disposition of the complaints varies so widely that there is no meaningful way to establish an "average" as such. Some complaints take as little as three minutes while others may take as long as two months depending upon how extensive the investigation is.

A majority of the complaints received by the Board are complaints by licensees against unlicensed individuals. Primarily these complaints arise from illegal use of the title rather than malpractice of architecture. It is estimated by the Board that no more than 10% of the total complaints received come from the general public. Whether this is the result of a lack of knowledge on behalf of the public or a lack of dissatisfaction is unclear.

Many of the complaints against registered architects come from other registered architects as opposed to coming from the general public.

(See Table 2)

EVALUATION ELEMENT #13

*AN ANALYSIS OF THE SERVICES AND PERFORMANCE ESTIMATED
TO BE ACHIEVED IF THE AGENCY OR AGENCY PROGRAM WERE
CONTINUED.*

If the North Carolina Board of Architecture was continued in its present form, it is estimated that the services of the Board would be substantially similar to those presently achieved.

LICENSING PROFILE

TABLE 1

FISCAL YEAR

	1977-78	1976-77	1975-76	1974-75	1973-74
<u>APPLICATIONS:</u>					
For examination	72	100	53	70	61
For reciprocity	187	126	94	100	164
Under grandfather clause					
<u>EXAMINATIONS:</u>					
Administered	56	53	61	63	49
<u>LICENSES ISSUED:</u>					
By examination	31	32	47	50	49
By reciprocity	186	121	92	89	159
Under grandfather clause					
<u>LICENSES RENEWED:</u>					
<u>TOTAL NUMBER OF LICENSED PRACTITIONERS:</u>	1959	1829	1837	1837	1658
Number of complaints processed	15	10	11	10	11
Number of disciplinary hearings	1				
Number of licenses revoked *					
Number of licenses suspended					
Number of reprimands	9	8	6	10	4

*Due to disciplinary actions

TABLE 2

COMPLAINT PROFILE

	BY WHOM		AGAINST WHOM		WHAT REASON		TOTAL
1.	Licensee		Licensee		Work Related		5
2.	Licensee		Non-Licensee		No License		6
3.	General Public		Licensee		Work Related		*
4.	General Public		Non-Licensee		Work Related		*
5.	General Public		Non-Licensee		No License		--

* The Board receives this type of complaint; however, it is usually handled by phone. The Board only maintains records of complaints received by written correspondence.

This table shows a cross section of one year of complaint processing, but does not show the numbers or the details of the telephone complaints.

TABLE 3

North Carolina Board of Architecture

BUDGETS:		<u>Fiscal 77-78</u>	<u>Fiscal 78-79</u>
<u>Revenue:</u>			
<u>Renewal Fees:</u>			
	Res. & Non-Resident	\$ 46,505.00	
	Penalties	760.00	
	Reinstatements	<u>260.00</u>	
	<u>Total Renewal Fees:</u>	\$ 47,525.00	
<u>Registrations (Individual):</u>			
	Reciprocal/NCARB	\$ 6,100.00	
	Reciprocal/Direct	1,600.00	
<u>Registrations (Corporations)</u>			
	Initial Registrations	\$ 900.00	
	Renewals	3,000.00	
	Penalties	<u>40.00</u>	
	<u>Total Registration Fees</u>	\$ 11,640.00	
<u>Fees:</u>			
	Certificates	\$ 340.00	
	Application Fees (Exam)	1,750.00	
	Examination Fees	6,110.00	
	Rosters	<u>64.00</u>	
	<u>Total Fees</u>	\$ 8,840.00	
<u>Other Receipts:</u>			
	Refunds	\$ 6.87	
	Miscellaneous	16.10	
	Return Postage	<u>11.81</u>	
	<u>Total Other Receipts</u>	\$ 34.78	
	<u>Total Revenue</u>	<u>\$ 67,939.78</u>	

(figures not available
for 78-79)

TABLE 3 cont.'d

North Carolina Board of Architectre

	<u>BUDGETS:</u>	<u>Fiscal 77-78</u>	<u>Fiscal 78-79</u>
<u>Expenses:</u>			
<u>Fees:</u>			
Attorney		\$ 6,999.00	\$ 5,000.00
Executive Director (Polier)		3,960.00	
<u>Wages:</u>			
Executive Director (Brown)		\$ 10,686.64	\$ 16,750.00
Secretary		9,600.00	9,600.00
<u>Board Members:</u>			
Per Diem		\$ 1,960.00	\$ 2,500.00
Subsistence		1,745.53	2,250.00
Travel (including staff)		3,424.59	3,750.00
<u>Dues</u>			
NCARB/SCNCARB		\$ 1,075.00	1,300.00
<u>Operating Expenses</u>			
Rent (including Exam Site NCSU)		\$ 1,995.00 *	\$ 3,539.00
Supplies		2,829.55**	500.00
Postage		2,883.75	2,000.00
Telephone		1,346.88	1,300.00
Printing		6,432.14	4,000.00
Equipment/Maint./Rental		168.60	150.00
Miscellaneous (Audit)		1,154.65	1,000.00
Exam Costs		4,187.12	4,500.00
Insurance		1,813.00	1,750.00
Advertising		177.70	180.00
Board's % of Social Security		1,211.18	1,250.00
Board's % of Retirement		1,848.32	1,900.00
Board's % of Hospitalization		296.04	593.60
<u>Total Operating Expenses</u>		<u>\$ 65,794.69</u>	<u>\$ 63,812.60</u>

Budgetary Costs by Function

The budgetary costs by function for 1977-78 are broken down by the following percentage figures:

Regulation	32%
Licensing	28%
Public Relations	10%
Other Administrative Functions	30%

* Rent disbursed does not include rents for second half of fiscal year, as they have not yet been billed by the State of North Carolina.

** Includes new furniture.

TABLE 4

NORTH CAROLINA BOARD OF ARCHITECTURE
PERSONNEL

(Summary Statement)

<u>DESCRIPTIVE TITLE</u>	<u>SALARY</u>
Attorney	\$ 6,999.00
Executive Director (Polier)	3,960.00
Executive Director (Brown)	10,686.64
Executive Secretary	9,600.00
Board Members:	
Per Diem	1,960.00
Subsistence	1,745.53
Travel (including staff)	3,424.59
<u>TOTAL COST OF PERSONNEL</u>	<u>\$38,375.76</u>

